

(1) Adopt Section 110226 to read as follows:

Title 22. Social Security
Division 13. Child Support Services
Chapter 1. Program Administration.
Subchapter 1. Operations.
Article 1. Definitions.

Section 110226. Disposable Earnings.

“Disposable earnings” means income that is subject to withholding left after making mandatory deductions for taxes including State, federal, local, Social Security, Medicare taxes and union dues, along with deductions for disability insurance and payments to public employees’ retirement systems, provided that the deductions are required as a condition of employment.

NOTE: Authority cited: Sections 17306, 17310 and 17312, Family Code.
Reference: Sections 17306, 17310 and 17312, Family Code.

(2) Adopt Section 110242 to read as follows:

Section 110242. Earnings.

“Earnings” means any of the following to the extent that they are subject to an income withholding order for support:

- (a) Wages, salary, bonuses, vacation pay, retirement pay and commissions.
- (b) Payments for services of independent contractors, interest, dividends, rents, royalties, residuals, patent rights, or mineral or other natural resource rights.
- (c) Payments or credits due or becoming due as a result of a written or oral contract for services or sales whether denominated as wages, salary, commission, bonus, or otherwise.
- (d) Payments due for workers’ compensation temporary disability benefits.
- (e) Payments due from a disability or health insurance policy or program.
- (f) Any other payments or credits due or becoming due, regardless of the source.

NOTE: Authority cited: Sections 17306, 17310 and 17312, Family Code.
Reference: Section 706.011(a), Code of Civil Procedures; and Sections 4901(e) and 5206, Family Code.

(3) Adopt Section 110248 to read as follows:

Section 110248. Emancipation.

"Emancipation", "Emancipate" and "Emancipated" mean the age or circumstance in which a child is no longer entitled to current child support from a parent because of any one of the following:

(a) The child meets the conditions set forth in Family Code Section 3901.

(b) The judgment, decree or order directing the child support was terminated by order of the court.

(c) The judgment, decree or order directing the child support was terminated under the law of the issuing state.

(d) The child support ordered pursuant to Family Code Section 3587 has ceased or was terminated.

(e) The child meets at least one of the conditions set forth in Family Code Section 7002.

NOTE: Authority cited: Sections 17306, 17310 and 17312, Family Code.
Reference: Sections 3901, 3587, 7002, 17306, 17310 and 17312, Family Code.

(4) Adopt Section 110251 to read as follows:

Section 110251. Employment-Related Group Health Insurance.

"Employment-related group health insurance " means private group health insurance coverage provided through employment or membership in a union, trade association, or other organization.

NOTE: Authority cited: Sections 17306, 17310 and 17312, Family Code.
Reference: Sections 17306, 17310 and 17312, Family Code.

(5) Adopt Section 110336 to read as follows:

Section 110336. Health Insurance Coverage.

"Health insurance coverage " means the provisions for the delivery of both of the following:

(a) Health care services by a fee for service, health maintenance organization, preferred provider organization, or any other type of health care delivery system under which medical services could be provided to a dependent child of an obligor.

(b) Vision care and dental care services whether the vision care or dental care coverage is included in health insurance coverage or is issued as a separate policy or plan.

NOTE: Authority cited: Sections 17306, 17310 and 17312, Family Code.
Reference: Sections 3750 and 3760, Family Code ; and 45 Code of Federal Regulations, Section 303.31.

(6) Adopt Section 110337 to read as follows:

Section 110337. Health Insurance Coverage at a Reasonable Cost.

"Health insurance coverage at a reasonable cost" means employment-related group health insurance or other group health insurance, regardless of the service delivery mechanism.

NOTE: Authority cited: Sections 17306, 17310 and 17312, Family Code.
Reference: Sections 3751(a)(2) and 17422(b)(3), Family Code; and 45 Code of Federal Regulations, Section 303.31.

(7) Adopt Section 110355 to read as follows:

Section 110355. Income Withholding Order.

“Income withholding order,” “assignment order,” “assignment order for support,” “earnings assignment order,” and “wage assignment order” means a court order or administrative notice for income withholding, or legal process directed to an obligor’s employer, or other debtor of the obligor, to withhold from the income of the obligor an amount owed for support. Any income withholding order, or assignment order, or assignment order for support, or earnings assignment order, or wage assignment order issued by a local child support agency shall be issued on the federal form “Order/Notice to Withhold Income for Child Support,” FL-195 OMB Control No. 0970-0154 as adopted by the California Judicial Council.

NOTE: Authority cited: Sections 17306, 17310 and 17312, Family Code.
References: Sections 4901(f), 5208, and 5246, Family Code.

(8) Amend Section 110474 to read as follows:

Section 110474. Obligor.

“Obligor” means an individual, or the estate of a decedent, who owes a duty of support.

NOTE: Authority cited: Sections 17306, 17310, and 17312, Family Code.
Reference: Sections 5216, and 17212, Family Code; and Section 11478.1, Welfare and Institutions Code.

(9) Adopt Section 110485 to read as follows:

Section 110485. Other Group Health Insurance.

"Other group health insurance" means private group health insurance coverage provided through an organization other than through an employment-related group health insurance.

NOTE: Authority cited: Sections 17306, 17310 and 17312, Family Code.
Reference: Sections 17306, 17310 and 17312, Family Code.

(10) Adopt Section 110547 to read as follows:

Section 110547. Quash.

"Quash " means to cancel by judicial order.

NOTE: Authority cited: Sections 17306, 17310 and 17312, Family Code.
Reference: Section 3765, Family Code.

(11) Adopt Section 110615 to read as follows:

Section 110615. State Directory of New Hires.

“State Directory of New Hires (SDNH)” means a database maintained by each state that contains information regarding employees who are newly hired in the respective state.

NOTE: Authority cited: Sections 17306, 17310 and 17312, Family Code.
Reference: 42 United States Code, Section 653a.

(12) Amend Section 110660 to read as follows:

Section 110660. Title IV-D.

“Title IV-D” means Title IV of the federal Social Security Act, Part D, Child Support and Establishment of Paternity, codified at 42, U.S.C., Section 651 et seq.

NOTE: Authority cited: Sections 17306, 17310, and 17312, Family Code.
Reference: Section 17000(l), Family Code.

(13) Adopt Chapter 6, Article 1, and Section 116004 to read as follows:

Chapter 6. Enforcement Actions.

Article 1. Definitions.

Section 116004. Alternate Arrangement.

“Alternate arrangement” means a written agreement approved by a court or tribunal between an obligee and obligor that provides for payment of a support obligation as ordered other than through the immediate service of an income withholding order, and that is signed by the local child support agency with jurisdiction over the case when:

(a) Public assistance is being provided and there has been an assignment of support rights to the State.

(b) No public assistance is being provided, but the local child support agency is providing Title IV-D services at the time the alternate arrangement is entered into.

NOTE: Authority cited: Sections 17306, 17310 and 17312, Family Code.
Reference: Section 5260, Family Code; and 45 Code of Federal Regulations, Section 303.100(b)(3).

(14) Adopt Section 116018 to read as follows:

Section 116018. Credit Reporting Agencies.

“Credit reporting agencies” means any entity which regularly engages in the practice of assembling or evaluating consumer credit information or other information on consumers for the purpose of furnishing consumer reports to third parties.

NOTE: Authority cited: Sections 17306, 17310 and 17312, Family Code.
Reference: Section 4701, Family Code ; 42 USC, Section 666(a)(7); and 45 Code of Federal Regulations, Section 302.70(a)(7).

(15) Adopt Section 116036 to read as follows:

Section 116036. Independent Contractor Registry.

“Independent Contractor Registry” means a database maintained by the Employment Development Department which contains information regarding independent contractors reported in California, as required in Section 1088.8, Unemployment Insurance Code.

NOTE: Authority cited: Sections 17306, 17310 and 17312, Family Code.
Reference: Section 5206, Family Code; and Section 1088.8, Unemployment Insurance Code.

(16) Adopt Section 116038 to read as follows:

Section 116038. Intercounty Responding Case.

“Intercounty responding case” means a case in which the noncustodial parent and the custodial party live in different counties within California and the county in which the noncustodial parent resides receives and responds to a child support action for the purpose of enforcement.

NOTE: Authority cited: Sections 17306, 17310 and 17312, Family Code.
Reference: Sections 17306, 17310 and 17312, Family Code.

(17) Adopt Section 116042 to read as follows:

Section 116042. Intracounty Case.

“Intracounty case” means a case in which only one county is providing Title IV-D services.

NOTE: Authority cited: Sections 17306, 17310 and 17312, Family Code.
Reference: Sections 17306, 17310 and 17312, Family Code.

(18) Adopt Section 116061 to read as follows:

Section 116061. Plan Administrator.

"Plan Administrator" for the purposes of ~~this Article~~ Subchapter 6.1, Article 2,
Medical Enforcement, means any person who collects any charge or premium
from, or who adjusts or settles claims on, residents of California in connection
with health insurance coverage.

NOTE: Authority cited: Sections 17306, 17310 and 17312, Family Code.
Reference: Sections 17306, 17310 and 17312, Family Code.

(19) Adopt Section 116062 to read as follows:

Section 116062. Real Property.

“Real property” means real estate or property, such as, land and buildings that are permanent, fixed, and immovable.

NOTE: Authority cited: Sections 17306, 17310 and 17312, Family Code.
Reference: Sections 17306, 17310 and 17312, Family Code.

(20) Adopt Section 116063 to read as follows:

Section 116063. Real Property Lien.

“Real property lien” means a charge against real property, as defined in Section 116062, to secure payment of a support obligation at the time of sale or transfer of real property.

NOTE: Authority cited: Sections 17306, 17310 and 17312, Family Code.
Reference: Sections 17306, 17310 and 17312, Family Code.

(21) Adopt Subchapter 6.1, Article 1, and Section 116100 to read as follows:

Subchapter 6.1 Immediate Enforcement Actions.

Article 1. Income Withholding Orders.

Section 116100. Preparing and Serving an Income Withholding Order--
General Requirements and Timeframes.

(a) If a child support order exists, a local child support agency shall serve an income withholding order on an obligor's employer, unless a court has ordered that service be stayed. The income withholding order shall specify the following amounts, as applicable, to be withheld from the obligor's disposable earnings whether for child, family, spousal, and/or medical support:

(1) The amount(s) of current support specified in the most recent support order.

(2) The amount specified in the court order to be ~~applied toward~~ withheld for the liquidation of any support arrearage.

(3) An amount to be ~~applied toward~~ withheld for the liquidation of any support arrearage, if no amount(s) of payment toward any arrearage is specified in the court order, or additional arrears have accrued after the date of a court order for support. If both current support and arrearages exist, the amount to be ~~applied~~ withheld from salary or wages towards the liquidation of arrearages shall not exceed 25 percent of the current support order, or when combined with the current support amount, the maximum amount ~~permitted by Title 15, United States Code, Section 1673(b)~~ withheld cannot exceed 50 percent of the obligor's disposable earnings.

(A) In addition to the amount specified in (a)(3) above,
when ~~If~~ an obligor's current support obligation for ~~a one~~ child terminates by
operation of law but an arrearage balance exists, the local child support agency
shall serve an amended income withholding order on the obligor's employer
within 30 days that provides for a monthly payment that is equal to the current
support payment that has terminated for each child, to be applied towards the
liquidation of arrearages not to exceed the maximum amount ~~permitted by Title~~
~~15, United States Code, Section 1673(b)~~ withheld cannot exceed 50 percent of
the obligor's disposable earnings.

(B) An income withholding order issued by a local child
support agency for the liquidation of arrearages, shall not exceed five percent of
a disabled obligor's total monthly Social Security Disability Insurance (SSDI)
benefits pursuant to Title II of the Social Security Act, if the obligor provides the
local child support agency with proof that the obligor meets the Supplemental
Security Income (SSI) resource test and is receiving SSI/State Supplementary
Program (SSP) benefits and/or SSDI, or, but for excess income, would be eligible
to receive SSI/SSP. Proof that the obligor is otherwise eligible for SSI/SSP, but
for excess income, includes SSDI check stubs and self certification by the obligor
declaring under penalty of perjury that the obligor meets the SSI resource limits.

(b) In addition to the original income withholding order served on an
employer, a local child support agency also shall serve, the following on the
obligor's employer to deliver to the obligor:

(1) A second copy of the income withholding order.

(2) A blank request for hearing regarding wage and earnings assignment, and the information sheet for request for hearing regarding wage and earnings assignment.

(c) An income withholding order and the documents specified in subsection (b) shall be served on an obligor's employer:

(1) Within 15 days of any of the following:

(A) The date the support order is received by the local child support agency, if the address of the obligor's employer is known on that date.

(B) The date the obligor's employer is located. If the obligor's employer is located through the State Directory of New Hires, the income withholding order shall be served within the timeframe specified in subparagraph (2), below.

(C) The date the local child support agency opens a case, if the address of the obligor's employer is known on that date and the support order was entered prior to case opening, and the local child support agency confirms the existence of the court order. The local child support agency shall take appropriate action to confirm the existence of the court order within 10 days of opening the case.

(D) The date information is received from the Independent Contractor Registry ~~as specified in Section 1088.8, Unemployment Insurance Code.~~

(E) The date the foreign state order is registered by the LCSEA local child support agency in California pursuant to Section 117503 and the employer is known.

(2) Within two business days after the date information regarding a newly hired employee is entered into the State Directory of New Hires.

(d) Service on an employer of the documents specified in subsections (a) and (b) may be made by either:

- (1) Electronic means, such as fax or email.
- (2) First class or express mail.

NOTE: Authority cited: Sections 17306, 17310 and 17312, Family Code.
Reference: Sections 5206, 5232 and 5246, Family Code; ~~Section 1088.8, Unemployment Insurance Code~~; 15, United States Code, Section 1673(b); 42 United States Code, Sections 653a(g), 666(a)(8) and (b); and 45 Code of Federal Regulations, Section 303.100.

(22) Adopt Section 116102 to read as follows:

Section 116102. Hearing Request Regarding an Income Withholding Order.

If an obligor requests a hearing concerning an income withholding order served upon his/her employer, the local child support agency shall file a copy of the income withholding order with the court and be present at the hearing. If, at the hearing, the court:

(a) Quashes service of the income withholding order, the local child support agency shall provide written notification of the court's order to the obligor's employer within 10 business days of receipt of the court order. Such notification shall be sent by first class mail and fax or other electronic means and include a copy of the order quashing the income withholding order.

(b) Modifies the monthly payment due on arrearages, the local child support agency shall serve on the obligor's employer an amended income withholding order that reflects the court-ordered modifications within 10 days of receipt of the court order.

NOTE: Authority cited: Sections 17306, 17310 and 17312, Family Code.
Reference: Section 5246, Family Code.

(23) Adopt Section 116104 to read as follows:

Section 116104. Stay of Service of an Income Withholding Order.

(a) If a court previously ordered that service of an income withholding order be stayed, and the order requires further application to the court to lift the stay, a local child support agency shall make application to the court to terminate the stay within 10 days of any of the following:

(1) An obligor no longer meets the requirements specified in Section 5260, Family Code, for staying an income withholding order for good cause.

(2) An obligor requests termination of the stay.

(3) An obligor has failed to make a payment of support within 30 days of the due date.

(4) The date on which the custodial party requests that withholding begin.

(b) A local child support agency shall make application to the court for a lift of stay by filing with the court a declaration, signed under penalty of perjury by the obligee, that the obligor has failed to make timely support payments, within 30 days.

(c) A local child support agency shall be present at any court proceeding of which the local child support agency has received notice that the issue of a stay of service of an income withholding order is properly before the court.

(d) Upon termination of a stay of service, a local child support agency shall serve an income withholding order on the obligor's employer as specified in Section 116100.

NOTE: Authority cited: Sections 17306, 17310 and 17312, Family Code.
Reference: Sections 5260 and 5261, Family Code; and 45 CFR Section 303.100.

(24) Adopt Section 116106 to read as follows:

Section 116106. Terminating an Income Withholding Order.

Within 10 days of any of the following, a local child support agency shall provide written notification by first class mail, fax, or other electronic means, to an obligor's employer to terminate enforcement of an income withholding order:

(a) There is no longer a current order for support and past due support, including any interest and costs has been paid in full.

(b) Upon learning that the child who is the subject of the order has died or is emancipated and past due support, including any interest and costs has been paid in full.

(c) The local child support agency has used locate sources pursuant to ~~Chapter 3~~ Section 113100(h) and has not been able to locate and deliver payments to an obligee for a period of six months because the obligee has moved and failed to notify the local child support agency of the change in his/her address and there are no arrears that have been assigned to the State.

(d) The court determines that there is good cause as specified in Family Code Section 5260 to terminate the income withholding order.

(e) The obligor meets the conditions of an alternative arrangement as specified in Family Code Section 5260.

NOTE: Authority cited: Sections 17306, 17310 and 17312, Family Code.
Reference: Sections 5240 and 5260, Family Code; and 45 Code of Federal Regulations, Section 303.100(a)(7).

(25) Adopt Section 116108 to read as follows:

Section 116108. Employer Non-Compliance--Notification Timeframes, Electronic Funds Transfer, and Documentation Requirements.

(a) If an obligor's employer does not comply with an income withholding order by withholding support from an obligor's disposable earnings and forwarding that support to a local child support agency within 45 days of service of the order, the local child support agency shall ~~contact the obligor's employer by telephone to discuss the employer's non-compliance. If the employer contends that he/she did not receive the order, or the local child support agency is unable to make telephone contact with the employer, the local child support agency shall do the following within two business days of making, or attempting to make, telephonic contact:~~

(1) Fax or electronically transmit a copy of the income withholding order to the obligor's employer, along with a letter indicating that failure to comply with an income withholding order is punishable as contempt.

(2) If the employer cannot receive a fax or other electronic transmission, send by certified mail a copy of the income withholding order along with the letter specified in (a)(1) above.

~~(b) If an obligor's employer willfully fails to comply with an income withholding order within 30 days of the date the second copy of the income withholding order is served as specified in subparagraph (a), above, a local child support agency shall prepare and file an order to show cause regarding contempt pursuant to Section 116110.~~

~~(eb)~~ In addition to seeking a court order finding an employer in contempt, as specified in subsection (b), if a local child support agency has electronic funds transfer capability, the local child support agency shall complete and file with the court an order to show cause to request a court order that requires payment of support by electronic funds transfer from the bank account of the obligor's employer, if either of the following conditions exist:

(1) An obligor's employer willfully failed to comply with an income withholding order, or

(2) An obligor's employer failed to comply with an income withholding order on three separate occasions within a 12 month period.

~~(ec)~~ A local child support agency shall personally serve the obligor's employer with a copy of the order to show cause, if either of the conditions specified in subsection ~~(eb)~~ above, exist.

~~(ed)~~ A local child support agency shall document in the case record the following information regarding an employer's non-compliance with an income withholding order:

(1) The date the income withholding order was initially served on the employer.

(2) The date(s) of all verbal and/or written notification, including copies of written notification(s).

~~(3) The date the employer was personally served with the order to show cause required by Section 116110(a)(1).~~

(43) The date the order to show cause permitted by subsection
(~~e~~b) was served.

(~~5~~4) Any other information and/or documentation pertaining to the
employer's failure to comply with the income withholding order.

NOTE: Authority cited: Sections 17306, 17310 and 17312, Family Code.
References: Section 5241 and 5245, Family Code.

~~(26) — Adopt Section 116110 to read as follows:~~

~~Section 116110. Employer Contempt Procedures.~~

~~(a) — If an obligor's employer willfully refuses to comply with an income withholding order and/or a court order requiring electronic funds transfer after the notification requirements specified in Section 116108 have been completed, a local child support agency shall do both of the following:~~

~~(1) — Complete and file with the court an order to show cause and affidavit for contempt and an affidavit of facts constituting contempt.~~

~~(2) — Personally serve the employer with a copy of the order to show cause and affidavit for contempt filed with the court along with a cover letter that includes, at a minimum, the following:~~

~~(A) — The date the employer was initially served with the income withholding order.~~

~~(B) — The date(s) the local child support agency provided both verbal and written notification of the employer's non-compliance.~~

~~(C) — The date the second copy of the income withholding order was faxed and mailed to the employer, as required by Section 116108(a).~~

~~(b) — A representative of the local child support agency that files the forms specified in subparagraph (a)(1) shall be present at the hearing at which employer contempt is before the court and provide the court with the documentation specified in Section 116108(e).~~

~~(c) — A local child support agency may request the court to dismiss an order to show cause if an obligor's employer complies with an income withholding order and/or electronic funds transfer order by the date the issue of employer contempt is before the court.~~

~~NOTE: Authority cited: Sections 17306, 17310 and 17312, Family Code.
References: Section 706.029, Code of Civil Procedures; and Sections 5241 and 5245, Family Code.~~

(27) Adopt Article 2, and Section 116114 to read as follows:

Article 2. Medical Support Enforcement.

Section 116114. General Requirements.

(a) When a local child support agency determines that an existing ~~child~~ support order for current support does not contain a health insurance coverage provision, except as provided in Subsection (b), the local child support agency shall concurrently:

(1) File a notice of motion or order to show cause with the court to include a health insurance coverage provision in the ~~child~~ support order.

(2) Serve by first class mail, a blank form "Dependent's Health Insurance Information," CSS 4330, dated 04/02, incorporated by reference herein, on the obligor, along with written notification that the form shall be completed by the obligor and returned to the local child support agency within 20 days of the date of the notification.

(3) If an obligor's employer is known, serve by first class mail, a blank form "Employees' Dependent Health Insurance Information," CSS 4333, dated 04/02, incorporated by reference herein, on the employer, along with written notification that the form shall be completed by the employer and returned to the local child support agency within 30 days of the date of the notification.

(b) If ~~a custodial party~~ an obligee in a ~~nonpublic assistance~~ -Title IV-A case informs the local child support agency that there is private health insurance coverage for his or her child(ren) and does not want enforcement services for health insurance coverage, a local child support agency shall:

(1) Obtain health insurance coverage documentation pursuant to Section 116122, subsection (b)(1), (2), and (4) which shows that the minor child(ren) is currently covered by private health insurance.

(2) Document the evidence of health insurance coverage for the minor child(ren) in the case file.

(c) Upon receipt of a ~~child~~ support order requiring an obligor to provide health insurance coverage, a local child support agency shall take the following actions:

(1) If health insurance coverage is available at a reasonable cost to the obligor's minor child(ren), a local child support agency shall:

(A) Comply with the requirements of Section 116116 for employment-related group health insurance coverage, or

(B) Comply with the requirements of Section 116122 for other group health insurance coverage.

(2) If health insurance coverage is not available at a reasonable cost to an obligor's minor child(ren), a local child support agency shall monitor the case for changes in the obligor's employment status, and/or availability of employment-related health insurance coverage, or other group health insurance.

(A) If information is received that the status of the obligor's employment has changed, or that employment-related health insurance coverage is available, a local child support agency shall serve the National Medical Support Notice, as specified in Section 116116.

(B) If information is received that other group health insurance may be available to an obligor, a local child support agency shall obtain proof of health insurance coverage for the child(ren), as specified in Section 116122.

(d) A local child support agency shall complete a "Medical Insurance Form," DHS 6110 for all ~~public assistance~~ Title IV-A or IV-E cases ~~with the information required by Title 22, Division 3, Chapter 2, Article 15, Section 50763 as required by Title 22, California Code of Regulations, Section 50765,~~ and forward the form to the Department of Health Services, Third Party Liability Branch, within 10 business days of the date health insurance coverage enrollment information for the minor child(ren) has been received by the local child support agency.

(e) A local child support agency shall update the "Medical Insurance Form," DHS 6110 specified in subsection (d), and forward the form to the Department of Health Services, Third Party Liability Branch, within 10 business days of the date of notification of any of the following affecting a recipient of ~~public assistance~~ Title IV-A or IV-E services:

- (1) Any health insurance coverage has lapsed.
- (2) Any health insurance coverage provider has changed.
- (3) Any term of the health insurance coverage has changed.
- (4) Any health insurance coverage has been terminated.
- (5) Any medical support order or assignment order has been quashed or set aside by court order.

(f) The local child support agency shall forward any health insurance policy information received from a Plan Administrator to the obligee within 10 business days of the receipt of such information. Health insurance policy information shall include the information specified in Section 116122(b).

(g) A local child support agency shall document the case record and include copies of the forms and notices required by this Article.

NOTE: Authority cited: Sections 17306, 17310 and 17312, Family Code.
Reference: Sections 3751, 3751.5, 3752, 3763, 3767, 3771, 3773, 17400(a), 17422 and 17424, Family Code; 22 California Code of Regulations, Section 50765; and 45 Code of Federal Regulations, Sections 303.31 and 303.32.

(28) Adopt Section 116116 to read as follows:

Section 116116. Serving a National Medical Support Notice--General Requirements and Timeframes.

(a) If an order requiring an obligor to provide health insurance coverage for his/her minor child(ren) exists, a local child support agency shall complete and serve a "National Medical Support Notice (NMSN)," Part A, "Notice to Withhold for Health Care Coverage," OMB 0970-0222, and Part B, "Medical Support Notice to Plan Administrator," OMB 1210-0113, on an obligor's employer, ~~within 10 days of~~ upon receipt of employer information pursuant to the timeframes specified in Section 116100(c).

(b) A local child support agency shall specify on the National Medical Support Notice that the total amount withheld for both current support and health insurance premiums shall not exceed 50 percent of the obligor's disposable earnings, or the amount that is indicated on the court order/judgment, whichever is less. If funds are insufficient to withhold for both current support and health insurance premiums, a local child support agency shall:

(1) For ~~public assistance~~ Title IV-A or IV-E cases, specify that the employer withhold for current support.

(2) For non-~~public assistance~~ Title IV-A cases, contact the obligee to determine whether he/she chooses to have the employer withhold for either, current support or health insurance premiums and specify the ~~custodial party's~~ obligee's decision on the National Medical Support Notice. If the ~~custodial party~~ obligee does not respond within 10 days after the initial contact

attempt, then the local child support agency shall specify that the employer withhold for current support.

(c) In addition to the notice specified in subsection (a), a local child support agency also shall serve the following ~~within 15 days~~ on an obligor's employer, upon receipt of employer information pursuant to the timeframes specified in Section 116100(c):

~~(1) An income withholding order, if:~~

~~(A) A current child support order and/or arrearages exist,~~

~~and~~

~~(B) An income withholding order has not been previously~~

~~served on the employer.~~

~~(21)~~ The form and notice specified in Section 116114 (a)(3).

~~(32) Written notification that willful failure to comply with a valid~~

~~National Medical Support Notice may result in both of the following:~~

~~(A) Liability to the obligor for the amount incurred in~~

~~health care services that would otherwise have been covered under the health~~

~~insurance policy but for the conduct of the employer, or other group providing~~

~~health insurance coverage, that was contrary to the notice.~~

~~(B) Punishment as contempt of court pursuant to Section~~

~~1218 of the Code of Civil Procedure.~~

~~(42)~~ A written request that the employer provide written

notification to the local child support agency within 10 business days of any lapse

in health insurance coverage for the minor child(ren) that includes all of the following information:

(A) The reason(s) for the lapse in health insurance coverage.

(B) Whether or not the lapse is temporary.

(C) The date upon which coverage is anticipated to resume, if the lapse is temporary.

(53) Written notification that the employer is required to deliver a copy of the National Medical Support Notice to the obligor within 10 days of receipt of the order, along with a written statement of the obligor's rights and the procedures under the law to seek to quash such an order.

(d) ~~The documents specified in subsections (a), and (c) shall be served by first class mail within the timeframe specified in Section 116100(c)(2). The local child support agency shall serve the following by first class mail pursuant to the timeframes specified in Section 116100(c) and by a method specified in 116100(d):~~

(1) All documents specified in this section.

(2) An income withholding order, if:

(A) A current support order and/or arrearages exist, and

(B) A current income withholding order has not already

been served on the employer.

NOTE: Authority cited: Sections 17306, 17310, 17312, and 17512 Family Code. Reference: Section 706.052, Code of Civil Procedure; Sections 3764, 3768, 3771, and 3773, Family Code; 15 United States Code, Section 1673(b); and 45 Code of Federal Regulations, Section 303.32.

(29) Adopt Section 116118 to read as follows:

Section 116118. Processing the National Medical Support Notice.

(a) Upon receipt of a completed National Medical Support Notice, Part A, from an obligor's employer indicating that court-ordered health insurance coverage for the minor child(ren) cannot be provided, a local child support agency shall:

(1) Provide written notification to the obligor within 10 business days of receipt of Part A that other group health insurance coverage must be provided when it is available at no or reasonable cost.

(2) Provide written notification to the obligee within 10 business days of receipt of Part A that the court-ordered health insurance coverage cannot be enforced for one of the following reasons:

(A) The obligor's employer does not maintain or contribute to a plan providing dependent or family health care coverage.

(B) The obligor is among a class of employees ineligible for family health coverage under any group health plan maintained by the employer or to which the employer contributes.

(C) The obligor is no longer employed by the employer.

(D) State or federal withholding limitations prevent withholding from the obligor's disposable earnings the amount required to obtain coverage under the terms of the employer's group health insurance plan.

(3) Request written or oral notification from the obligor's employer within 15 days of any change in status or circumstance which would

result in the ~~obligor's~~ eligibility of the obligor's child(ren) for health insurance coverage.

(b) Upon receipt of a completed National Medical Support Notice, Part B, indicating that the minor child(ren) of the obligor is/are, or will be enrolled under the obligor's health insurance coverage, a local child support agency shall take the action required by Section 116114(d), if the obligor's child(ren) is/are receiving ~~public assistance~~ Title IV-A or IV-E services.

(c) Upon receipt of a completed National Medical Support Notice, Part B, from a Plan Administrator indicating there is more than one option available under a health insurance coverage plan, and the obligor is not enrolled in any option under the plan or refuses to enroll in one of the options, a local child support agency shall:

(1) Provide written notification to the obligee within five business days of receipt of Part B of all of the following:

(A) A description of the health insurance coverage plan options available through the obligor's employment, including whether additional ~~obligor~~ contributions will be necessary by the obligor to obtain coverage for the child(ren) under each option, and whether there is a limited service area for any option.

(B) Notice that the obligee must select a plan for the child(ren) from the available health insurance plans within 10 days of receipt of the written notification from the local child support agency.

(C) Notice that failure by the obligee to select a health insurance coverage plan option within 10 days of receipt of the written notification from the local child support agency will result in enrollment of the child(ren) in the default option, if any.

(D) Notice that if the plan does not have a default option the local child support agency shall determine and select the available plan that will provide the lowest cost plan that provides coverage where the child resides.

(2) Provide written notification to the Plan Administrator, within 20 business days after the postmark date of the receipt of Part B, of the option selected by the obligee or the local child support agency.

(d) Upon receipt of a completed National Medical Support Notice, Part B, indicating that the notice does not constitute a qualified medical child support order because:

(1) The name or mailing address of the minor child(ren) or obligor is unavailable, a local child support agency shall take all actions necessary to obtain missing information, including accessing all appropriate locate sources specified in Section 113100, and resubmit a National Medical Support Notice to the Plan Administrator within five business days after obtaining all necessary information.

(2) The child(ren) identified in the notice is/are at or above the age at which dependents are no longer eligible for coverage under the plan, a local child support agency shall verify the information provided to the Plan

Administrator is correct within five business days of the receipt of the completed Part B.

(A) If erroneous information pertaining to the age of the child(ren) was provided, a local child support agency shall inform the Plan Administrator in writing, by telephone, or electronic means of the error and provide documentation to the Plan Administrator verifying the age of the child(ren) within five business days of the receipt of the completed Part B.

(B) If the child(ren) is/are at or above the age at which dependents are no longer eligible for coverage under the plan, a local child support agency shall provide written notification of such to the obligee within five business days of receipt of the completed Part B.

(e) A local child support agency shall provide written notification to an obligee within five business days of receiving notice from a Plan Administrator of ~~notice~~ of any lapse of health insurance coverage for the minor child(ren).

NOTE: Authority cited: Sections 17306, 17310 and 17312, Family Code.
Reference: Sections 3751.5, 3752(c), 3766, 3773, ~~and 17422~~ and 17424(b),
Family Code; and 45 Code of Federal Regulations, Section 303.32.

(30) Adopt Section 116120 to read as follows:

Section 116120. Terminating a National Medical Support Notice.

(a) A local child support agency shall terminate the National Medical Support Notice within 10 days of obtaining any of the following documentation:

(1) An order for medical support that was quashed or terminated by the court.

(2) An order for medical support is no longer in effect.

(3) Proof that the child(ren) has died or reached the age of emancipation.

(4) A request in writing from an obligee in a nonpublic assistance ~~–Title IV-A~~ case to cease medical support establishment and enforcement services. The local child support agency shall follow procedures pursuant to Section 116114(b).

(5) A request in writing from an obligee in a nonpublic assistance ~~–Title IV-A~~ case to close a case.

(b) Upon terminating the National Medical Support Notice for any reasons specified in subsection (a), the local child support agency shall update the case file and notify the obligor, obligee and the obligor's employer in writing of the following:

(1) If the National Medical Support Notice was terminated for the reasons specified in either subsection (a)(1), (2), or (3), that there is no longer a current order for medical support in effect and that the obligor may continue health insurance coverage voluntarily for any qualifying dependents.

(2) If the National Medical Support Notice was terminated for the reason specified in either subsection (a)(4) or (5), that there is still a medical support order in effect, that the obligor must continue health insurance coverage for the child(ren) unless the order for health insurance is terminated by the court, and that the obligor may continue health insurance coverage voluntarily for any other qualifying dependents.

(c) If the local child support agency is notified that the health insurance coverage is terminated or changed, the local child support agency shall complete the "Medical Insurance Form" DHS 6110 pursuant to Section 116114.

NOTE: Authority cited: Sections 17306, 17310 and 17312, Family Code.
Reference: Sections 3751.5 and 3770, Family Code; and 45 Code of Federal Regulations, Section 303.32.

(31) Adopt Section 116122 to read as follows:

Section 116122. Other Health Insurance Coverage.

(a) If an order requiring an obligor to provide health insurance coverage for his/her minor child(ren) exists, and other group health insurance coverage is available, or the court ordered individual health insurance coverage, a local child support agency shall request in writing, proof of health insurance coverage from the obligor, or the entity providing other group health insurance. The request shall:

(1) Be made within 10 days of service of the order on the obligor requiring the provision of health insurance coverage; and

(2) Include a written statement of the obligor's right and the procedures under the law to seek to quash the order.

(b) Proof of health insurance coverage shall include, but not be limited to:

(1) The health insurance membership or identification card(s) for the child(ren).

(2) The evidence of coverage and disclosure form from the health insurance provider.

(3) Claim forms and other documents necessary to submit claims.

(4) Any other pertinent information provided to the obligor, or received from the entity providing other group health insurance coverage, about health insurance coverage for the child(ren).

(c) The local child support agency shall request in writing that the other group health insurance provider provide written notification to the local child support agency within 10 business days of any lapse in health insurance coverage for the minor child(ren) that includes all of the following information:

(A~~1~~) The reason(s) for the lapse in health insurance coverage.

(B~~2~~) Whether or not the lapse is temporary.

(C~~3~~) The date upon which coverage is anticipated to resume, if the lapse is temporary.

(d) Within five business days of receipt of the information specified in subsection (b), a local child support agency shall provide the obligee with such information.

(e) A local child support agency shall review the case for civil or criminal prosecution of an obligor if the obligor has willfully failed to provide health insurance coverage as ordered by the court.

NOTE: Authority cited: Sections 17306, 17310 and 17312, Family Code.
Reference: 3751, 3751.5, 3752, Family Code.

~~(32) — Adopt Section 116124 to read as follows:~~

~~Section 116124. — Employer Non-Compliance and Employer Contempt Procedures.~~

~~(a) — If an obligor's employer does not comply with a National Medical Support Notice within the timeframe specified in the notice, a local child support agency shall follow the procedures and document the case record as specified in Section 116108(e).~~

~~(b) — If an obligor's employer willfully refuses to comply with the National Medical Support Notice after the notification requirements specified in Section 116108 have been completed, a local child support agency shall do both of the following:~~

~~(1) — Complete and file with the court an order to show cause.~~

~~(2) — Personally serve the employer with a copy of the order to show cause and affidavit for contempt filed with the court along with a cover letter that includes, but is not limited to, the following:~~

~~(A) — The date(s) the employer was initially served with the National Medical Support Notice.~~

~~(B) — The date(s) that the local child support agency provided both verbal and written notification of the employer's non-compliance.~~

~~(C) — The date that the second copy of the National Medical Support Notice was faxed and mailed to the employer.~~

~~(c) — A representative of the local child support agency that files the forms specified in subsection (a)(1) shall be present at the hearing at which~~

~~employer contempt is properly before the court and provide the court with the documentation specified in subsection (b)(2).~~

~~(d) — A local child support agency may request the court to dismiss an order to show cause if an obligor's employer complies with a National Medical Support Notice by the date the issue of the employer contempt is properly before the court.~~

~~NOTE: Authority cited: Sections 17306, 17310 and 17312, Family Code.
Reference: Section 3766 and 3768, Family Code.~~

(33) Adopt Article 3 and Section 116130 to read as follows:

Article 3. Real Property Liens.

Section 116130. Recording/Creating Real Property Liens.

(a) A local child support agency shall record a real property lien against the real property of an obligor to obtain compliance with money judgments or orders enforced by a local child support agency pursuant to Title IV-D of the Social Security Act. A local child support agency shall prepare and submit for recording a real property lien within ~~45~~ 45 days of the date a money judgment or order is received by the local child support agency, a case is opened for enforcement of an existing order or judgment, or an existing order is registered for enforcement. A local child support agency shall not record a real property lien when the order indicates a zero support amount, or when the order is reserved.

(b) A local child support agency shall not record a real property lien against the real property of an obligor who has filed for bankruptcy under Chapter 13, except in those instances where the real property is not part of the bankruptcy estate.

(c) A local child support agency shall record a real property lien for the following types of cases:

- (1) Intercounty responding cases.
- (2) Intracounty cases.
- (3) Interstate initiating cases. Real property liens shall only be recorded if the obligor is known to have or is likely to acquire real property interests in California.
- (4) Interstate responding cases.

(d) A local child support agency shall record a real property lien by recording with the county recorder one of the following:

- (1) An abstract of support judgment.
- (2) An Abstract of Support Judgment (notice of support judgment) Form CA 8580 (7/1/03).
- (23) A certified copy of the order/money judgment.
- (34) A federal Notice of Lien. The local child support agency shall record such a lien in another state when the custodial party resides in California and the obligor noncustodial parent resides in a state other than California only if the local child support agency does not request enforcement by another state through the two-state interstate process as specified in Chapter 7.

(e) A local child support agency shall record a real property lien as follows:

- (1) In the county where the obligor resides.
- (2) In the counties where the parent(s) of the obligor resides, if known and if different from the county of the obligor.
- (3) In the counties where the obligor is known to have, or could reasonably be expected to acquire, real property.

NOTE: Authority cited: Sections 17306, 17310 and 17312, Family Code. Reference: Sections 674, 697.060, and 697.320, Code of Civil Procedure; Sections 4506.1-4506.2, Family Code; 11 United States Code, Sections 362(b)(2)(B) and 523(a)(18); 42 United States Code Section 666(a)(4); and 45 Code of Federal Regulations, Section 302.70(a)(4).

(34) Adopt Section 116132 to read as follows:

Section 116132. Satisfaction of Judgment/Substitution of Payee.

(a) Upon satisfaction of a support obligation, a local child support agency shall within the time frames established in subsections (c) through (fd) file a full satisfaction of judgment, ~~a partial satisfaction of judgment~~, or a matured installment satisfaction by doing both of the following:

(1) File an acknowledgment of satisfaction of judgment with the court; ~~and~~.

(2) Provide the obligor with an acknowledgement of satisfaction of judgment that can be recorded in any county in which an abstract of support judgment, or certified copy of the judgment was filed.

(b) For all cases enforced by a local child support agency pursuant to Title IV-D of the Social Security Act, a local child support agency shall take one of the following actions as specified in subsections (c) through (fe), as appropriate to the case.

(c) Prior to case closure, a ~~A~~ local child support agency shall prepare and file a full satisfaction of judgment in the following circumstances:

(1) In those cases where the local child support agency recorded a certified copy of the judgment or order for support, ~~or an abstract of support judgment, or an notice of support judgment~~ Abstract of Support Judgment CA 8580 (7/1/03) only when all of the support arrears have been paid in full and all of the children subject to the support order have emancipated as specified in Section 110248. ~~Within 20 days of case closure, a full satisfaction of judgment shall be prepared for signature as follows:~~

~~(A) — By the custodial party and a representative of the local child support agency in cases where some or all of the support was due to the custodial party as unassigned support. If the custodial party refuses to sign the satisfaction, the local child support agency shall inform the custodial party that the local child support agency will either:~~

- ~~1. — Prepare a release of lien in accordance with Section 116134(c), or~~
- ~~2. — Prepare a substitution of payee in accordance with subsection (f)(2).~~

~~(B) — By a representative of the local child support agency where all of the support was due to the county as assigned support.~~

(2) In any other situation where the local child support agency determines it would be appropriate to record a full satisfaction of judgment.

~~(d) — The local child support agency shall prepare a partial satisfaction judgment in the following circumstances:~~

~~(1) — In those cases where the local child support agency recorded a certified copy of the judgment or order for support or an abstract of support judgment, only when all of the support arrears have been paid in full, all of the children subject to the support order have not emancipated, but there is no order for current support in effect. Within 20 days of case closure, a partial satisfaction judgment shall be prepared for signature as follows:~~

~~(A) — By the custodial party and a representative of the local child support agency in cases where some or all of the support was due to~~

~~the custodial party as unassigned support. If the custodial party refuses to sign the satisfaction, the local child support shall inform the custodial party that the local child support agency will either:~~

~~1. Prepare a partial release of lien in accordance with Section 116134(c), or~~

~~2. Prepare a substitution of payee in accordance with subsection (f)(2).~~

~~(B) By a representative of the local child support agency where all of the support was due to the county as assigned support.~~

~~(2) In any other situation where the local child support agency determines it would be appropriate to record a partial satisfaction of judgment.~~

(ed) Upon request of a representative of a title and/or escrow company or the obligor or the custodial party, the local child support agency shall prepare a matured installment satisfaction of judgment for signature by a representative of the local child support agency only when all of the support arrears have been paid in full and some or all of the children subject to the support order have not reached the age of emancipation as specified in ~~Family Code Section 3901~~ 110248.

(fe) The local child support agency shall prepare a substitution of payee in the following circumstances:

(1) The non-public assistance custodial party has requested that the local child support agency close the case, the custodial party has given permission to the local child support agency to disclose a mailing address to the

obligor for payments, and unassigned current support and/or unassigned arrears are due to the custodial party. The local child support agency shall specify on a notice regarding payment of support, that payments for current support and unassigned arrears shall be paid to the custodial party and, if any assigned arrears remain unpaid and due to the county, that payments for assigned arrears shall be paid to the local child support agency. The assigned arrears portion of the case shall remain open until such time as the case qualifies for case closure as specified in Chapter 8.

(2) The local child support agency has determined all of the support arrears for which the local child support agency provided enforcement services have been paid in full ~~and a full or partial satisfaction would otherwise be appropriate but the custodial party refuses to sign such a satisfaction~~, and the custodial party alleges that other support arrears are still due the custodial party and the custodial party has given permission to the local child support agency to disclose a mailing address to the obligor for payments.

(3) The local child support agency has transferred its case to another local child support agency in California for Title IV-D services. In this situation, the transferring local child support agency shall complete and file a notice regarding payment of support and specify that payments for current support and arrearages shall be paid to the address of the local child support agency to which the case was transferred. A notice regarding payment of support shall be completed and filed with the court prior to ~~within five days of~~ case closure by the transferring county.

(4) In any other situation where the local child support agency determines it would be appropriate to record a substitution of payee.

NOTE: Authority cited: Sections 17306 and 17310, Family Code.
Reference: Sections 724.010, 724.030, 724.040, 724.060, ~~724.120~~ and 724.250, Code of Civil Procedure; Sections 4201 and 4204, Family Code; and 45 Code of Federal Regulations, Section 302.70.

(35) Adopt Section 116134 to read as follows:

Section 116134. Releasing Real Property Liens.

A local child support agency shall release real property liens by preparing and providing to the obligor the ~~Release of Judgment Lien~~, Form CA 8581 (New July 1, 2003), documents to be recorded by the obligor with the county recorder, or a local child support agency shall release real property liens by recording the ~~Release of Judgment Lien documents~~ with the county recorder. A local child support agency shall process the release of real property liens in the following situations:

(a) When a written demand is received from a property owner for a recordable document releasing the lien and proof is provided by the property owner to the satisfaction of the local child support agency that the property upon which the lien has been created is owned by a person who is not the obligor but has the same or similar name as the obligor. Within 15 days of receipt of such written demand and proof, a local child support agency shall record the a Release of Judgment Lien indicating a general release of lien.

(b) When a court order has been received by a local child support agency to prepare and deliver to the property owner a recordable document releasing the lien, unless such order has been appealed and the action ordered is stayed pending the appeal. ~~The documentation~~ A Release of Judgment Lien indicating a general release of lien shall be prepared and delivered within the time frames established by the court order or within 15 days from receipt of the court order, whichever is less.

(c) When a local child support agency has determined all of the support arrears for which the local child support agency provided enforcement services have been paid in full, ~~and a full or partial satisfaction would otherwise be appropriate but the custodial party refuses to sign such a satisfaction and has not given permission to the local child support agency to disclose a mailing address to the obligor for payment, and the custodial party alleges that other support arrears are still due the custodial party.~~ Within five days of making the determination that the case should be closed because all support has been paid, a local child support agency shall prepare and deliver to the obligor a Release of Judgment Lien indicating a general release of lien.

(d) When a request is received from a representative of a title and/or escrow company or the obligor and the support arrears for which the local child support agency provided enforcement services have been paid in full. Within five days of the request, a local child support agency shall prepare and deliver to the requesting party, a Release of Judgment Lien indicating a specific property release of lien.

NOTE: Authority cited: Sections 17306, 17310 and 17312, Family Code.
Reference: Section 697.410, Code of Civil Procedure.

(36) Adopt Article 4 and Section 116140 to read as follows:

Article 4. Credit Reporting ~~Agencies.~~

Section 116140. Reporting Child Support Obligations and Arrearages--
General Requirements and Timeframes.

(a) Each local child support agency shall compile and maintain a list of obligors who have child support obligations ordered by a court, administrative agency or quasi-judicial entity authorized to establish, enforce, or modify support orders or to determine ~~parentage~~ paternity, whether or not arrearages are owed, and submit a certified list of those obligors to the Department, as specified in subsection (d), for subsequent consolidation and submission to credit reporting agencies.

(b) The list required by subsection (a) shall include, at a minimum, the following data for each obligor. The obligor's:

- (1) Name(s).
- (2) Date of birth.
- (3) Last known address.
- (4) Social Security Number.
- (5) Current and past due child support debt amounts.

(c) Prior to including an obligor's arrearage data on the list required by subsection (a), a ~~the~~ local child support agency shall do all of the following:

(1) Prepare a copy of the obligor's payment record, or obtain an affidavit signed by the obligee attesting to the amount of support owed.

(2) Ensure the case record contains a copy of the order, including any modifications to the order.

(3) Verify the accuracy of the obligor's name(s) and Social Security Number.

(4) Ensure the case record contains the obligee's last known address, if the obligee is not receiving public assistance.

(5) Verify the arrears by determining whether there are any former CalWORKs or foster care assigned arrears in addition to the arrears that accrued when the obligee was not receiving public assistance.

(d) When the list required by subsection (a) is transmitted to the Department, the director of the local child support agency, or his/her designee, shall complete and sign a "Child Support Credit Reporting/State Licensing Match Transmittal," CS 914, dated (8/02), incorporated by reference herein, to transmit the list and to certify the following under penalty of perjury:

(1) The requirements of subsection (c)(1) through (5) have been met.

(2) The compilation of the list was supervised by the director of the local child support agency or his/her designee.

(e) Prior to the initial reporting of a child support obligation or an arrearage to the Department, a the local child support agency shall provide written notification to an obligor at his/her last known address of the proposed release of information to credit reporting agencies, and the detail of that

information, and allow the obligor 30 days from the date of the written notice to contest the accuracy of the information, or to pay the arrearage, if any.

(1) If an obligor fails to contest the accuracy of the information in writing within 30 days of the date of the notice, ~~a~~ the local child support agency shall include ~~that~~ the obligor on the list submitted to the Department pursuant to subsection (f).

(2) If an obligor provides timely written notification that he/she wishes to contest the accuracy of the information, that notification shall be deemed a request for complaint resolution and the local child support agency shall delay submission of the obligor's information until the requirements of Article 2 of Chapter 10, commencing with Section 120100, have been completed.

(3) If an obligor pays an amount to satisfy an arrearage in whole or in part within the 30-day timeframe, ~~a~~ the local child support agency shall revise the arrearage balance for that obligor prior to submitting the information specified in subsection (b)(5) to the Department pursuant to subsection (f).

(f) Each local child support agency shall submit to the Department monthly updates to the list specified in subsection (a) through electronic media. The updates shall be submitted by the 12th day of the month following the month being reported. The monthly update shall contain all new obligors for whom the local child support agency has completed the requirements specified in subsection (e), and either:

(1) All obligors submitted the previous month, including those obligors with changes to the information previously reported, such as, a change in case status or arrearage balance, or

(2) Only those obligors with changes to the information previously reported.

(g) In cases in which a child support collection is made by one county for a case being enforced in another county, the county enforcing the case shall submit the information specified in subsection (b) to the Department.

(h) In interstate cases when California is the responding state, ~~a~~ the local child support agency shall submit the information specified in subsection (b) to the Department.

(i) In cases in which the accuracy of information is contested by the obligor and the credit reporting agency is conducting a reinvestigation, the local child support agency shall research the accuracy of information and respond to the credit reporting agency within 30 days from the date the local child support agency receives notice that the accuracy of the information is being contested.

(1) In the event the information being contested is correct, the local child support agency shall respond to the credit reporting agency within 30 days by fax or in writing, notifying the credit reporting agency that the information is correct.

(2) In the event the information being contested is incorrect, the local child support agency shall correct the information by submitting a Universal Data Form to the credit reporting agency by fax or in writing on the same working

day that the information is verified as being incorrect. The local child support agency shall also submit information updating the case to the Department as specified in subsection (f).

NOTE: Authority cited: Sections 17306, 17310 and 17312, Family Code.
Reference: Section 4701, Family Code; 15 United States Code, Section 1681i; 42 United States Code, Section 666(a)(7); and 45 Code of Federal Regulations, Section 302.70(a)(7).

(38) Repeal Chapter 7 Interstate Cases, Article 1 Definitions, Section 117042 to read as follows:

Chapter 7. Interstate Cases.
Article 1. Definitions

~~Section 117042. Income Withholding Order.~~

~~“Income withholding order” means an earnings assignment order for support, as defined in Family Code, Section 5208, or any other order or legal process directed to an obligor’s employer, or other debtor of the obligor, to withhold from the income of the obligor an amount owed for support. Any earnings assignment order for support or income withholding order issued by a local child support agency shall be issued on Federal Form (OMB No.: 0970-0154) “Order/Notice to Withhold Income for Child Support.”~~

~~NOTE: Authority cited: Sections 17306, 17310, 17312, Family Code.
Reference: Sections 4901 and 5208, Family Code.~~

(39) Repeal Manual of Policies and Procedures Section 12-107 as follows:

~~12-107 TIME STANDARDS - ENFORCEMENT OF SUPPORT ORDERS 12-107~~

- ~~.3 The district attorney shall serve a wage assignment on the absent parent's employer within 15 calendar days of:~~
 - ~~.31 When the support order was entered, unless the wage assignment has been stayed or an alternative arrangement exists; or~~
 - ~~.32 When the absent parent changes employment, and the new employer's address is known; or~~
 - ~~.33 When the employer's address is located, in those cases in which the employer's address had been unknown.~~

(40) Repeal Manual of Policies and Procedures Section 12-224 as follows:

~~12-224 PROGRAM PERFORMANCE STANDARDS – ENFORCEMENT 12-224~~

- ~~.3 The district attorney shall petition the court for a wage assignment for any support order established or modified after July 1, 1990.~~
- ~~.31 In addition to the current support due, the district attorney shall petition for an amount to be applied toward any overdue support.~~
- ~~.32 To initiate withholding pursuant to a wage assignment, the district attorney shall serve the absent parent's employer the wage assignment and a notice containing all of the following information:~~
 - ~~.321 The amount to be withheld from the absent parent's wages and a statement that such amount may not exceed the statutory maximum.~~
 - ~~.322 A statement informing the employer that the employer may deduct a fee of one dollar, in addition to the amount withheld, for administrative costs incurred for each withholding.~~
 - ~~.323 A statement informing the employer that the withholding order is binding upon the employer until further notice.~~
 - ~~.324 A statement informing the employer that the employer is subject to a maximum fine of 500 dollars for any of the following reasons:~~
 - ~~(a) Discharging an absent parent because of the withholding order.~~
 - ~~(b) Taking disciplinary action against an absent parent because of the withholding order.~~
 - ~~(c) Refusing to hire an absent parent because of a withholding order.~~
 - ~~.325 A statement informing the employer that the employer is liable for the accumulated amount which should have been withheld if the employer refuses to withhold wages as directed.~~
 - ~~.326 A statement informing the employer that the assignment for support has priority over any other legal process under state law against the same wages.~~
 - ~~.327 A statement informing the employer that the employer may combine withheld amounts from all absent parents in a single payment to each agency requesting withholding and separately identifying the portion of the payment which is attributable to each absent parent.~~
 - ~~.328 A statement directing the employer to do the following:~~

- ~~(a) Implement the withholding no later than the first pay period which occurs after 14 calendar days following the date the notice was mailed.~~
 - ~~(b) Forward amounts withheld to the district attorney within 10 calendar days of the date the absent parent is paid.~~
 - ~~(c) Notify the district attorney of the date the earnings were withheld.~~
- ~~.329 A statement directing the employer to notify the district attorney in writing when the absent parent terminates employment, including the following information:~~
- ~~(a) The absent parent's last known address.~~
 - ~~(b) The name and/or address of the absent parent's new employer, if known.~~
- ~~.33 If the absent parent changes employment, the district attorney shall serve the wage assignment on the absent parent's new employer, if known, within 15 calendar days.~~
- ~~.331 If the new employer's address is not known, the district attorney shall serve the wage assignment within 15 calendar days of locating the employer's address.~~
- ~~.332 The district attorney shall notify the new employer that the wage assignment is binding until further notice.~~
- ~~.34 The district attorney shall maintain and follow procedures that ensure that the noncustodial parent is refunded the amount improperly withheld within 15 calendar days of discovering the error.~~

(41) Repeal Manual of Policies and Procedures Section 12-228 as follows:

~~12-228 PROGRAM PERFORMANCE STANDARDS - MEDICAL SUPPORT 12-228~~

~~.7 The district attorney shall attempt to enforce medical support orders.~~

~~.71 Enforcement remedies include, but are not limited to:~~

~~.711 Contacting absent parents.~~

~~.712 Contacting absent parents' employers.~~

~~.713 Obtaining health insurance coverage assignments.~~

~~.8 The district attorney shall not provide medical support services to a person who is not receiving aid without first obtaining the person's consent.~~

~~.81 Consent shall not be required for cases on behalf of families which cease to receive aid but continue to receive Child Support Enforcement Program services unless medical support services have not previously been provided.~~

(42) Repeal Manual of Policies and Procedures Chapter 12-600 as follows:

~~TABLE OF CONTENTS~~

~~CHAPTER 12-600 REAL PROPERTY LIENS~~

	Section
Definitions	12-601
General Requirements	12-602
Cases to be Recorded	12-603
When to Record	12-604
Where to Record	12-605
What to Record	12-606

(43) Repeal Manual of Policies and Procedures Section 12-601 as follows:

12-601 **DEFINITION** **12-601**

~~.1 Definitions of terms used in these regulations, which are common to the Child Support Enforcement Program, are found in MPP Section 12-701.~~

~~.2 When used in these regulations, unless the context otherwise indicates:~~

~~a. (Reserved)~~

~~b. (Reserved)~~

~~c. (Reserved)~~

~~d. (Reserved)~~

~~e. (Reserved)~~

~~f. (Reserved)~~

~~g. (Reserved)~~

~~h. (Reserved)~~

~~i. (1) Initiating cases means those cases in which the county commences the child support action.~~

~~(2) Intercounty cases means those cases in which more than one California county is involved in the support action.~~

~~(3) Interstate cases means those cases in which more than one state is involved in the support action.~~

~~(4) Intracounty cases means those cases in which only one jurisdiction within a state or a single county is involved in the support action.~~

~~j. (Reserved)~~

~~k. (Reserved)~~

~~l. Lien means a charge or encumbrance on real property.~~

~~m. (Reserved)~~

~~n. (Reserved)~~

~~o. (Reserved)~~

~~p. (Reserved)~~

~~q. (Reserved)~~

~~r. Responding cases — means those cases in which the county receives the child support action for purposes of enforcement.~~

~~s. (Reserved)~~

~~t. (Reserved)~~

~~u. (Reserved)~~

~~v. (Reserved)~~

~~w. (Reserved)~~

~~x. (Reserved)~~

~~y. (Reserved)~~

~~z. (Reserved)~~

~~NOTE: Authority cited: Section 11475, Welfare and Institutions Code. Reference: 45 CFR Section 303.103.~~

(44) Repeal Manual of Policies and Procedures Section 12-602 as follows:

~~12-602~~ ~~GENERAL REQUIREMENTS~~ ~~12-602~~

~~.1 Each district attorney shall record all support orders/judgments to create liens against real property.~~

~~NOTE: Authority cited: Section 11475, Welfare and Institutions Code. Reference: 45 CFR Sections 303.103 and 305.52 and Section 697.320, California Code of Civil Procedure.~~

(45) Repeal Manual of Policies and Procedures Section 12-603 as follows:

~~12-603 CASES TO BE RECORDED 12-603~~

~~.1 The district attorney shall create a real property lien in the following types of cases:~~

~~.11 Intracounty cases;~~

~~.12 Intercounty responding cases;~~

~~.13 Interstate responding cases; and~~

~~.14 Interstate initiating cases.~~

~~.141 Liens shall be created in these cases only if the absent parent is known to have, or is likely to acquire, real property interests in California.~~

~~NOTE: Authority cited: Section 11475, Welfare and Institutions Code. Reference: 45 CFR Sections 303.103 and 305.52 and Section 697.320, California Code of Civil Procedure.~~

(46) Repeal Manual of Policies and Procedures Section 12-604 as follows:

~~12-604~~ WHEN TO RECORD ~~12-604~~

~~.1 The district attorney shall create a lien at the time that each new order, or modification to an existing order, is entered.~~

~~.11 Liens in existing cases shall be created as the cases are processed by the district attorney.~~

~~NOTE: Authority cited: Section 11475, Welfare and Institutions Code. Reference: 45 CFR Sections 303.103 and 305.52 and Section 697.320, California Code of Civil Procedure.~~

(47) Repeal Manual of Policies and Procedures Section 12-605 as follows:

~~12-605 WHERE TO RECORD 12-605~~

~~.1 The district attorney shall record real property liens:~~

~~.11 In the county in which the absent parent resides;~~

~~.12 In the county in which the absent parent's parent(s) reside, if known and different from the absent parent's county; and~~

~~.13 In any other county in which the absent parent is known to have, or could reasonably be expected to acquire, real property.~~

~~NOTE: Authority cited: Section 11475, Welfare and Institutions Code. Reference: 45 CFR Sections 303.103 and 305.52 and Section 697.320, California Code of Civil Procedure.~~

(48) Repeal Manual of Policies and Procedures Section 12-606 as follows:

~~12-606~~ **WHAT TO RECORD** ~~12-606~~

~~.1 The district attorney shall record one of the following:~~

~~.11 An abstract of support judgment or~~

~~.12 A certified copy of the judgment.~~

~~.2 All liens shall be extended and re-recorded unless the judgment is satisfied or the judgment lien is released.~~

~~NOTE: Authority cited: Section 11475, Welfare and Institutions Code. Reference: Section 697.320, California Code of Civil Procedure.~~

- (49) Adopt form CSS 4330, "Dependent Health Insurance Information", dated (4/02) as follows:

- (50) Adopt form CSS 4333, "Employee's Dependent Health Insurance Information", dated (4/02) as follows:

- (51) Adopt form CS 914, "Child Support Credit Reporting/State Licensing Match Transmittal", dated (8/02) as follows:

FINAL STATEMENT OF REASONS

Chapter 1. Program Administration.

Subchapter 1. Operations.

Article 1. Definitions.

Section 110242. Earnings. A nonsubstantive spelling correction was made in the endnote to remove the "s" at the end of the word "Procedure" as requested by the OAL reviewer.

Section 110248. Emancipation. This section defines "Emancipation" which is an important point in time for purposes of ending a parent's duty to provide support or medical insurance coverage.

Section 110355. Income Withholding Order. This section defines "Income Withholding Order." This section was amended to add "FL-195." This modification was necessary to clarify the reference to OMB Control No. 0970-0154 as a mandatory form adopted by the California Judicial Council for use in withholding income for support obligations.

Section 110474. Obligor. This section was amended to enhance clarity. The reference citation to Family Code Section 5216 was added to show the statutory origin of this definition.

Section 110660. Title IV-D. This section was amended by having the reference citation to Family Code Section 17000 made more specific by adding subsection (l) to it for enhanced clarity.

Chapter 6. Enforcement Actions.

Subchapter 6.1. Immediate Enforcement Actions.

Article 1. Income Withholding Orders.

Section 116061. Plan Administrator. A nonsubstantive cross reference revision was made to clarify this definition. Cross reference was changed from "this Article" to "Subchapter 6.1, Article 2, Medical Enforcement" which is where the definition is used in the regulatory text.

Section 116100. Preparing and Serving an Income Withholding Order-General Requirements and Timeframes. This section specifies the requirements and timeframes necessary to prepare and serve an income withholding order.

Subparagraph (a)(2) requires the local child support agency to specify, in an income withholding order, the amount of support ordered by the court for arrearages. This subparagraph was amended to replace the term "applied toward" with the term "withheld for" to enhance clarity and consistency, as income withholding orders specify the amounts to be withheld, not how those amounts will be applied.

Subparagraph (a)(3) specifies a maximum percentage of disposable income which is to be withheld when no amount is specified in a support order or a court order for liquidation of a support arrearage. This subparagraph was amended to replace the term "applied toward" with the term "withheld for" to enhance clarity and consistency with Subparagraph (a) above. Furthermore, in this section the term "applied" was amended and replaced with the phrase "withheld from salary or wages" to clarify and make a more specific reference to the fact that income withholding orders specify the amounts to be withheld, not how those amounts will be applied. The term "permitted by Title 15, United States Code, Section 1673(b)" was amended and replaced with the term "withheld cannot exceed 50 percent of obligor's disposable earnings". Its hard to follow the regulation when its necessary to go read the cited statute. This modification to the language was necessary to clarify the maximum amount the local child support agency may withhold when no amount is specified in the support order, as set forth in California law.

Subparagraph (a)(3)(A) specifies that if an obligor's current support obligation terminates by operation of law but an arrearage balance exists, the local child support agency shall serve an amended income withholding order within 30 days to increase withholding for arrearages by the amount that withholding for current support declined. This subparagraph was amended to include the phrase "In addition to the amount specified in (a)(3) above, when" and the word "a." Furthermore, in this section the term "for each child" was added to clarify that it must be done each time a child emancipates in cases with multiple children. These modifications to the language were necessary to clarify that a local child support agency must amend an income withholding order within 30 days of when a child emancipates.

Subparagraph (c)(1)(D) A nonsubstantive clarification removing a cross reference was made eliminating "as specified in Section 1088.8, Unemployment Insurance Code" as requested by OAL reviewer. This cross reference was unnecessary.

Subparagraph (c)(1)(E) requires the income withholding order to be served on an obligor's employer within 15 days from the date the foreign state order is registered in California pursuant to Section 117503. This subparagraph was amended to add "by the local child support agency" and "and the employer is known." These modifications were necessary to clarify when the 15 day time frame begins - that is, upon registration by the local child support agency. The

amendment also clarifies that the time does not begin until the local child support agency has information on the employer.

Additional modifications were made to correct the reference citation to add 42 United States Code Section 666(a)(8) and (b). Consistent with the nonsubstantive removal of subparagraph (c)(1)(D) citation to "Section 1088.8, Unemployment Insurance Code" that same citation was removed from the reference citations in the section endnote.

Section 116102. Hearing Request Regarding an Income Withholding Order.

Subsection (a) was amended by addition of the word "business". This is merely a clarification, not a change, in the time frame for the local child support agency to notify an obligor's employer.

Section 116104. Stay of Service of an Income Withholding Order.

Subparagraph (a)(4) was added to conform to federal regulations at 45 CFR 303.100(c) (1)(ii). It addresses a situation which is not included in any of the prior subparagraphs.

45 CFR Section 303.100 was added as a reference citation in support of the addition of subparagraph (a)(4) in this section.

Section 116106. Terminating an Income Withholding Order.

Subsection (c) specifies that if the local child support agency has performed the required locate activity and has been unable to locate and deliver payments to an obligee for a period of six months, the local child support agency shall terminate an income withholding order. This subsection was amended to remove the reference to Chapter 3 and replace it with "Section 113100(h)." This modification was necessary to make a more specific reference to the locate regulations.

Subsection (d) specifies that a court's determination of good cause to terminate a withholding order is another basis for the local child support agency to terminate an income withholding order. The existing subsections did not address this occurrence, which would require the local child support agency to abide by the court order.

Subsection (e) specifies that the making of an alternative arrangement as described in Family Code Section 5260 is another basis for the local child support agency to terminate an income withholding order. The existing subsections did not address this occurrence which is expressly authorized by statute.

Family Code Section 5260 was added as a reference citation in support of the addition of subsections (d) and (e).

Section 116108. Employer Non-Compliance - Notification Timeframes, Electronic Funds Transfer, and Documentation Requirements.

Subsection (a) specifies actions to be taken by a local child support agency when an obligor's employer does not comply with an income withholding order. Subsection (a) is amended to remove the requirement for a local child support agency to attempt telephone contact with the employer.

Subsection (b) formerly required the local child support agency to take specific legal action against any uncooperative obligor employer. It is deleted in its entirety to reflect an operational decision to minimize the impact of these regulations on business.

Former Subsection (c) is renumbered to (b) due to the deletion of the old subsection (b). It is also amended to delete the lead in language which used to refer to the former subsection (b).

Former Subsection (d) is renumbered and the cross reference in it is updated for consistency.

Former Subsection (e) is also renumbered for consistency.

Subparagraph (e)(3) is deleted as Section 116110 to which it referred has been deleted. This is part of the effort to minimize the impact of these regulations on businesses.

Former Subparagraph (e)(4) has been renumbered for consistency.

Former Subparagraph (e)(5) has been renumbered for consistency.

Section 116110. Employer Contempt Procedures. This entire section has been deleted based on an operational decision to minimize the impact of these regulations on businesses.

Article 2. Medical Support Enforcement.

Section 116114. General Requirements. This section specifies the circumstances under which the local child support agency shall obtain and enforce court orders for health insurance coverage for a minor child(ren) in a child support case and secure medical support information for transfer to the Department of Health Services (DHS).

Subsection (a) requires the local child support agency to seek to secure medical coverage for a dependent child when the support order doesn't include it. The

word "child" was deleted to clarify that the order is for all forms of support including medical.

Subsection (b) requires the local child support agency to take the actions specified in subparagraphs (b)(1) and (b)(2) in Title IV-D cases when a custodial party not receiving public assistance informs the local child support agency there is private health insurance coverage for the child(ren) and the custodial party does not want other health insurance coverage. This subsection was amended to delete the term "custodial party" and include the term "obligee" and delete the phrase "nonpublic assistance" and include the phrase "non-Title IV-A." This modification was necessary to establish more consistent use of standardized terminology among DCSS regulations users.

Subsection (d) requires the local child support agency to complete a Medical Insurance Form, DHS 6110 for all public assistance cases with the information required by Title 22, Division 3, Chapter 2, Article 15, Section 50763 and transmit the form to DHS within 10 business days of the date health insurance coverage enrollment information was received. This subsection was amended to delete the phrase "public assistance" and include the phrase "Title IV-A or IV-E." This modification was necessary to establish more consistent use of standardized terminology among DCSS regulations users. An additional nonsubstantive revision to a cross reference has been made to enhance clarity. Reference to "...with the information required by Title 22, Division 3, Chapter 2, Article 15, Section 50763" was replaced with reference to "...as required by 22 CCR, Section 50765". The substantive requirement to use the form DHS requires actually appears in this regulation section. Form DHS 6110 is that form.

Subsection (e) requires the local child support agency to update the Medical Insurance Form, DHS 6110 for all public assistance cases and forward it to DHS within 10 business days of the date of notification of any changes that occur to the health insurance coverage. This subsection was amended to delete the phrase "public assistance" and include the phrase "Title IV-A or IV-E services." This modification was necessary to establish more consistent use of standardized terminology among DCSS regulations users.

Reference Citations: The section endnote regarding reference citations was also amended to include citation to 22 CCR, Section 50765. This amendment was to conform to the amendment in subsection (d) above.

Section 116116. Serving a National Medical Support Notice—General Requirements and Timeframes. This section specifies the requirements and timeframes necessary to prepare and serve a "National Medical Support Notice," (NMSN), on the obligor's employer.

Subsection (a) requires the local child support agency to complete and serve the NMSN within 10 days of receipt of employer information. This subsection was amended to modify the time frame to be consistent with the requirements in

Section 116100(c) regarding service of income withholding orders on employers. The department determined that consistent time frames were appropriate and that the shorter time frame set forth in this section was not mandated by law.

Subsection (b) requires the local child support agency to specify on the NMSN that the total amount to be withheld for current support and health insurance premiums shall not exceed 50 percent of the obligor's disposable earnings or the amount indicated on the court order or judgment, whichever is less. Technical, nonsubstantive amendments were made to this section, consistent with the changes to Section 116114 above to correct terminology and refer to Title IV-A or IV-E cases and to obligees.

Subsection (c) requires the local child support agency to serve the documents specified in subparagraphs (1) through (3) below for Title IV-D cases on an obligor's employer within 15 days. This subsection was amended to delete the phrase "within 15 days" and include the phrase, "upon receipt of employer information pursuant to the timeframes specified in Section 116100(c)." This modification was necessary to be consistent with the required income withholding timeframe of Section 116100(c), which requires the local child support agency to serve the income withholding order within two days after the date information is received for newly hired employees entered into the State Directory of New Hires. Subparagraph (c)(1) requires the local child support agency to serve an income withholding order if a current child support order and/or arrearages exist and if an income withholding order has not been previously served on an employer. This subparagraph was deleted, reworded and relocated to subsection (d)(2). This modification was necessary to enhance clarity. Subparagraph (c)(3), requiring the local child support agency to serve a written notification indicating the possible consequences to the employer of willful failure to comply with a valid NMSN was deleted consistent with the policy to minimize the burden of these regulations on businesses. Amendments were made to renumber remaining subparagraphs.

Subsection (d) defined the requirements for service of the notice described in this section. The subsection was amended because the time frames noted by cross reference to subsections (a) and (c) are no longer accurate, as all time frames were deleted from those subsections.

Section 116118. Processing the National Medical Support Notice. This section specifies the requirements and timeframes necessary for the local child support agency to process the NMSN when received from the employer or a Plan Administrator.

Subparagraph (a)(3) requires the local child support agency to request written or oral notification from the obligor's employer within 15 days of any change in status or circumstances which would result in the obligor's eligibility for health insurance coverage. This subparagraph was amended to clarify that the local

child support agency must be notified if there are changes affecting the eligibility of the children, not the obligor. This modification was necessary to be consistent with 45, Code of Federal Regulations, Section 303.31, which requires the local child support agency to enforce the provision of health care coverage for the children of noncustodial parents through an employment-related group health plan.

Subsection (b) Nonsubstantive technical changes to terminology from "public assistance" to "Title IV-A" or "Title IV-E".

Subsection (c) Nonsubstantive grammatical correction made.

Subsection (e) Nonsubstantive grammatical correction made.

Additional modifications were made to correct the reference citation to add Section 17424(b), FC.

Section 116120. Terminating a National Medical Support Notice. This section specifies the requirements and timeframes necessary to terminate a NMSN.

Subsection (a) Nonsubstantive changes were made for consistent use of standardized terminology and grammatical correction.

Section 116122. Other Health Insurance Coverage. This section specifies the requirements and timeframes necessary to enforce the medical support provision in a court order when the health insurance provider is not employment-related.

Subsection (c) requires the local child support agency to request in writing that the other group health insurance provider notify the local child support agency in writing within 10 business days of any lapse in health insurance coverage for the minor child(ren). Subparagraphs (A) through (C) are redesignated as subparagraphs (1) through (3). This nonsubstantive technical change was necessary to be consistent with the format of the regulatory text.

Section 116124. Employer Non-Compliance and Employer Contempt Procedures. This section specified the requirements and timeframes necessary for the local child support agency to proceed with a court order for the employer's non-compliance with the NMSN. It is deleted to minimize the burden of these regulations on businesses.

Article 3. Real Property Liens.

Section 116130. Recording/Creating Real Property Liens. This section specifies the requirements for the local child support agency to record real property liens.

Subsection (a) requires the local child support agency to file a lien on real property under certain circumstances and within a specified time frame. The time frame was changed from 15 to 45 days to accommodate local child support agency need for more time.

Subparagraph (d)(2) Was amended to add "Abstract of Support Judgment (notice of support judgment) Form CA 8580(7/1/03) to the list of documents the local child support agency may file to record a real property lien. This amendment was necessary to correspond with new Statutory language i.e., Section 4506(c), FC, that became effective January 1, 2003 (Statutes of 2002, Chapter 927, Assembly Bill 3032). The initial regulatory language contained in subparagraph (d)(2) is now redesignated as subparagraph (d)(3).

Subparagraph (d)(3) & (d)(4) were renumbered due to the addition of the new (d)(2) above. Additionally, (d)(4) was amended to delete the term "noncustodial parent" to replace it with the term "obligor." This modification was necessary to be consistent with regulatory terminology used throughout this section.

Section 116132. Satisfaction of Judgment/Substitution of Payee. This section specifies the requirements for the local child support agency to prepare and file a satisfaction of judgment or substitution of payee.

Subsection (a) requires that upon satisfaction of a support obligation, a local child support agency shall file within the time frames established in the subsections the appropriate documents. It was amended to delete the phrase "a partial satisfaction of judgment" as it was determined that this is not typically done. A minor grammatical correction was also made at the end of Subparagraph (a)(1) to enhance clarity.

Subsection (b) requires local child support agencies to take particular actions upon satisfaction of support obligations for all IV-D cases. The cross reference to subsection (f) was updated as a result of the renumbering of the subsections described below.

Subsection (c) requires that the local child support agency prepare a full satisfaction of judgment for the circumstances described in subparagraphs (c)(1) through (c)(2). This subsection was amended to require that "prior to case closure" a local child support agency shall "prepare and file" a full satisfaction of judgment, as opposed to only requiring the local child support agency to "prepare" a full satisfaction of judgment. This modification was necessary because it clarifies to the local child support agency the next logical step expected once the satisfaction of judgment is prepared.

Subparagraph (c)(1) requires that a full satisfaction of judgment be filed for those cases in which a certified copy of the judgment or order for support or an abstract

of support judgment was filed, provided that all of the support arrears have been paid in full and all of the children subject to the support order have emancipated. This subparagraph was amended to update the list of documents that were filed to record the lien to include the new Abstract of Support Judgment Form CA 8580. The section was further amended to add a cross reference to the definition of emancipation for clarity. This subparagraph formerly required that the full satisfaction of judgment be prepared for signature within 20 days of case closure, but this requirement was replaced with the new Subsection (c) language "prior to case closure" to clarify the timing of this activity. Subitems (c)(1)(A) & (B) were deleted because it was determined that the signature of the custodial party is not required for a full satisfaction of judgment.

Subparagraph (d) required that a partial satisfaction of judgment be filed for certain cases. The entire subsection was deleted due to a departmental decision not to require this practice.

Former Subsection (e) has been renumbered to (d) and a minor grammatical correction was made. The cross reference to Family Code Section 3901 was changed to cross reference Section 110248 instead and by so doing to utilize the definition of emancipation provided there.

Former Subparagraph (f) was renumbered to (e).

Former Subparagraph (f)(1) now (e)(1) - a grammatical, nonsubstantive amendment was made to the last sentence of subparagraph (1)

Subparagraph (e)(2) was amended to delete language relating to partial satisfaction of judgment as this legal process was removed throughout this regulatory text.

Subparagraph (e)(3) specifies that when a case is transferred to another local child support agency for iv-d services, the transferring local child support agency shall complete and file the notice regarding payment of support specifying that current support and arrearages be paid to the address of the local child support agency to which the case was transferred. The transferring local child support agency shall complete and file the notice regarding payment of support with the court within five days of case closure. This subparagraph was amended to require that the transferring local child support agency complete and file the notice regarding payment of support with the court "prior to case closure" as opposed to "within five days of case closure." This modification was necessary to clarify that the action needs to be taken prior to final case close not subsequent to it.

Reference citation to Code of Civil Procedure Section 724.120 was deleted because it refers to partial satisfactions of judgment which are no longer included in the regulatory requirements.

Section 116134. Releasing Real Property Liens. This section requires that the local child support agency provide to the obligor or property owner the release of lien documents to be recorded with the county recorder, or that the local child support agency release the lien by recording the release of lien documents with the county recorder for the situations described in subsections (a) through (c) below. This section was amended to require that the local child support agency release real property liens by “preparing and” providing the obligor with the Release of Judgment Lien, CA 8581 [New July 1, 2003] to be recorded by the obligor with the county recorder. This modification was necessary to clarify an expectation of the local child support agency to not only provide release of lien documents, but to also prepare the correct documents prior to providing them to the obligor, and to specify the complete and accurate name of the form.

Subsections (a) and (b) were also amended to specify the complete and accurate name of the document involved.

Subsection (c) specifies that the local child support agency shall process the release of real property lien when the local child support agency determines that all support arrears enforced by the local child support agency have been paid in full. This subsection was amended to delete ambiguous language regarding the preparation of partial satisfactions of judgment and custodial party noncooperation. The partial satisfaction of judgment was deleted for consistency with Section 116132(e)(2) above. This amendment also results in clear instruction to the local child support agencies as to their responsibilities. Amendment was also made to establish a five day time frame for the local child support agency to take the required actions. Five days was selected because the local child support agencies said it was the shortest time frame in which they could reasonably accomplish the task.

Subsection (d) was added to specify that local child support agencies shall process releases of real property liens when requested to do so by title or escrow companies or the obligor when the support arrears being enforced have been paid in full, and establishing a five day time frame for the local child support agencies to act. This amendment addresses an additional circumstance under which prompt local child support agency action to release a real property lien was determined to be appropriate.

Article 4. Credit Reporting.

Section 116140. Credit Reporting. This section specifies requirements for reporting delinquent obligors to credit reporting agency establishment and maintenance of child support credit reporting records. This section was amended to delete the word “Agencies” from the title. This modification was a technical edit to more accurately state credit reporting procedures.

Subsections (a), (c), (e), (e)(1), (e)(3), and (h) nonsubstantive terminology and/or grammatical changes made to enhance clarity and for consistent use of terminology.

Subsection (i) was added to establish a process to require local child support agency actions in case the accuracy of information submitted to a credit reporting agency is challenged by the obligor. A 30 day time frame was established for the local child support agency to investigate and respond to the credit reporting agency.

Subparagraph (i)(1) was added to establish a 30 day time frame for the local child support agency to notify the credit reporting agency that the information was accurate.

Subparagraph (i)(2) was added to establish the requirement for the local child support agency to notify the credit reporting agency of any inaccuracy in the information on the same day that the inaccuracy is verified by the local child support agency.

The endnote was also amended to add to the citation 15 United States Code, Section 1681i which is the federal law regarding necessary actions when the accuracy of information provided to a credit reporting agency has been challenged.

Local Mandate Determination:

The Department has determined that the regulations would not impose a mandate on local agencies or school districts.

Alternative Determination:

The Department has determined that no reasonable alternative considered by the Department or that has otherwise been identified or brought to the attention of the Department would be more effective in carrying out the purpose for which these regulations are being implemented or would be as effective and less burdensome to affected private persons than these regulations.